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FOREWORD

I feel privileged to write a foreword on this compilation titled as 'MSME DIGEST'. Shri Mukesh Mohan Gupta, an eminent professional in the field, has been making untiring efforts to raise MSME Sector at its highest pedestal. This digest throws light on the evolving jurisprudence concerning MSME Sector in India.

The MSME sector has long been a cornerstone of India's economy, with over 7.50 crore registered enterprises contributing significantly to employment, innovation and economic growth. Despite the sector's undeniable importance, MSMEs continue to grapple with systemic challenges that threaten their growth and sustainability. Among the most pressing issues is the delayed payments and lack of access to timely credit, which hampers its ability to thrive.

In my years of judicial experience, I have witnessed that timely and well-enforced legal remedies can play a pivotal role in ensuring the smooth functioning of our economy. MSMEs, as the backbone of India's economic structure, deserve special attention and protection from undue financial strain. The rulings compiled in this book by Shri Mukesh Mohan Gupta underscore the need to recognize MSMEs not just as economic entities but

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as vulnerable stakeholders in need of effective legal safeguards and dispute resolution mechanisms.

In this context, judicial intervention has played a crucial role in safeguarding the rights of MSMEs and ensuring that their concerns are well addressed. Through the lens of landmark rulings, this book provides a comprehensive overview of the judgments delivered by the Hon'ble Supreme Court and various High Courts that have shaped the legal landscape for MSMEs. These judgments have not only clarified the scope and intent of legislative provisions but have also consistently reinforced the protective framework set out by laws like the *Micro, Small and Medium Enterprises Development Act, 2006* and the *Arbitration and Conciliation Act, 1996*.

I trust that this book will act as a catalyst for greater legal awareness, fair business practices, and the timely payment of dues, which are the rightful entitlements of MSMEs. However, at this stage, I may suggest one crucial legal reform for the benefit of MSMEs. According to Section 4 of IBC, 2016, any creditor of MSMEs could have invoked the remedy of filing application under Section 9 against a Corporate Debtor. This threshold was raised by the government by exercising power under proviso to Section 4 to Rs. One Crore. A large number of entities registered as MSMEs lost the chance to approach NCLT for initiation of Corporate Insolvency Resolution Process as their dues are ordinarily in Lacs only. Therefore, the original provision providing a threshold of Rs. One Lac may be restored.

I hope and trust that the insights presented in this book will empower MSMEs to assert their legal rights and will lead to an ecosystem that promotes fairness, transparency and timeliness in business practices.

I wish for the grand success of this book.



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